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CONFIDENTIAL

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Pages (including cover):

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TO:

Recipient Name

Firm/Company

Fax

Yelsphone

Alice Villavicencio

Premerger Notification Office - Federal Trade 202 326.2624

202,326,3155

Commission

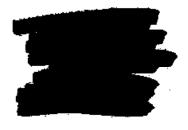
FROM: Email address: Telephone: User number: Dent number

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Thus 802.5

February 25, 1999

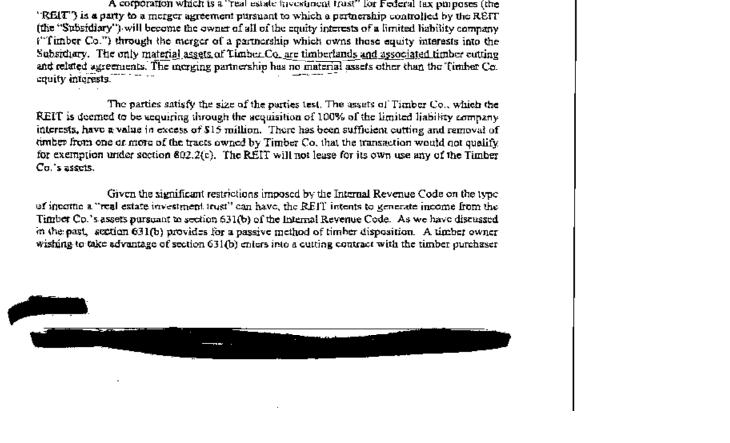
VIA TELECOPIER

Ms. Alice Villavicencio Premerger Notification Office Federal Trade Commission 6th Street and Permsylvania Avenues Washington DC 20580

Ocar Ms. Villavicencio:

I am writing to confirm the conclusion we reached during our telephone conversation today that the transaction described below is exempt under section 802.5 of the Premerger Notification Rules.

A corporation which is a "real estate investment trust" for Federal tax purposes (the



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in the nature of a royalty agreement, pursuant to which the timber purchaser enters onto the property, cuts the timber and pays the owner based upon the volume of timber removed by the purchaser from the property. The Internal Revenue Service has recognized the passive nature of these cutting contract arrangements. The Internal Revenue Service regards the underlying transaction as a "lease" of the timber property, producing a form of royalty income.

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Given the intent of the RBIT to generate income through section 631(b) contracts, we concurred that the transaction is exempt under Section 631(b).

Please let me know promptly if I have misunderstood our conversation.

Thank you for your assistance on this matter.

March 1, 1999
"Investigate the season of the letter and the letter and the letter than from whith the author of the letter the letter than the letter than the letter than the letter than the sufferent their the sufferent the second of the letter. The sufferent their 802.5. Amv